

MINUTES  
WATER QUALITY ASSURANCE REVOLVING FUND ADVISORY BOARD  
Arizona Department of Environmental Quality Conf. Room 250, 1110 W. Washington Street,  
Phoenix, Arizona  
April 25, 2003

BOARD MEMBERS IN ATTENDANCE:

Kelly Barr  
Frank Corkhill  
Karen Gaylord  
Tamara Huddleston  
Will Humble  
David Kimball  
Rick Lavis  
Karen Masbruch

Janet Marcus  
Phil McNeely  
Karen O'Regan  
Chuck Shipley  
Lee Stein  
Tom Suriano  
Jim Vieregg  
Kerri Ann Wade

BOARD MEMBERS ABSENT:

Michael Conway  
Lori Faeth

The meeting was called to order at 9:05 a.m.

**Action Items:**

1. ADEQ and ADHS will send a letter to the Board describing their roles and responsibilities concerning risk assessment review.
2. ADEQ will report on the working party cleanup funding obligations.

**I. Welcome/Opening remarks/Administrative Issues**

- A. Chairman Lavis reminded the Board that the next meeting will be on May 30. The next fiscal year's budget may be in place by this meeting; if so, recommendations from the Budget Committee on the site specific budgets will be discussed. Chairman Lavis informed the Board that there will be no meetings in June, July or August if the budget issue is resolved by the May meeting. If not, there will be a meeting in June.
- B. Chairman Lavis stated that there will be a presentation on the Miracle Mile site at a future Board meeting.
- C. Chairman Lavis informed the Board that a former member, Mr. Dave Furrey, is currently undergoing treatment for prostate cancer. He is in the Board's thoughts.

- II. **Approval of March 28, 2003 Meeting Minutes** - Ms. O'Regan made a motion to approve the March 28, 2003 meeting minutes; Mr. Shipley seconded the motion. The minutes were approved.

### **III. Department Report**

**B. ADEQ** - Mr. McNeely went over the action items from the last meeting. There have been additional discussions regarding changes to the QBS language. ADEQ has provided a letter to Chairman Lavis regarding the ADEQ/ADWR data coordination. ADEQ continues to make progress on early response actions (ERAs) at Broadway-Pantano, Central and Camelback, and Tyson Wash. Due to low contamination levels and technical access issues, ADEQ has decided not to install a treatment system at the 16<sup>th</sup> Street and Camelback site. The groundwater treatment system at Central and Camelback has treated over 11 million gallons of water to date. There will be a dedication ceremony at Broadway-Pantano on Friday, May 2. Excavation work at Vulture Mill is almost complete. High levels of contaminants have been detected at the East Central Phoenix 32<sup>nd</sup> Street and Indian School site. Air samples have been sent to ADHS for evaluation. ADEQ will be finishing the field work for remedial investigations at several sites this year.

#### **1. Discussion of Arizona Superfund Programs List**

Ms. Gaylord and Mr. Suriano excused themselves during the discussion on the Arizona Superfund Programs List (ASPL). Chairman Lavis posed the question as to whether the pending preliminary investigation (PI) sites should be included on the ASPL. Mr. McNeely provided information on the background of the ASPL; originally there was an ACIDs list that contained approximately 1400 sites. This list was reduced down to approximately 120 sites which are now on the ASPL. Mr. Kimball made a motion to request that the Department delete the pending PI sites from the ASPL. Mr. Shipley seconded the motion. Mr. McNeely abstained. The motion was approved. Ms. Gaylord and Mr. Suriano returned to the room.

#### **2. ADHS/ADEQ Risk Assessment/Risk Management Program**

Mr. Kimball stated that the Board took an active role in making sure that ADHS was involved in the development of risk-based standards for site specific situations; the Board looks to ADHS to determine appropriate standards. There has been some confusion as to whether ADHS or ADEQ will be conducting these reviews. Ms. Davis responded that ADEQ wants ADHS involved with WQARF and VRP issues. Mr. Humble added that instead of a transfer of \$216K, ADHS will receive a transfer of \$100K which should be appropriate for the level of work expected. ADHS will conduct all VRP reviews and will focus on sites with complete exposure pathways for WQARF sites, ERAs and sites with significant community concerns. Mr. Kimball asked why the customer couldn't sent the reports directly to ADHS and asked whether ADHS would be working on Tier 3 sites for UST. Mr. Humble indicated that ADHS and ADEQ have a process in place for logging in and distribution of documents. With regard to Tier 3 sites, ADHS has a grant from ATSDR that can be used to work on Tier 3 sites as necessary. ADHS can also do risk consultations as well as risk assessment. Mr. Shipley asked if ADEQ would be conducting risk

assessments. Mr. Humble responded no, ADEQ would use prescribed risk default numbers to evaluate risk information. There will not be a duplication of effort by the agencies. Mr. Shipley asked where the \$100K is coming from. Mr. Humble answered WQARF. Mr. Shipley stated that the transfer should have been discussed with the Budget Committee and Chairman Lavis stated that once the FY04 budget is available the Board can look at the distribution of funding in the transfers. Chairman Lavis requested that both departments send letters to the Board explaining intentions for FY04 spending. Ms. O'Regan asked Mr. Humble about his mention of ADEQ editing ADHS's work; Mr. Humble responded that he had discussed this with ADEQ at the last meeting and that the issue had been resolved.

**B. ADWR**

Due to time constraints, Chairman Lavis requested that the presentation by ADWR scheduled for today's meeting be rescheduled for the May meeting. Mr. Corkhill will be provided with time for his presentation on May's agenda.

**IV. DWR/DEQ Data Coordination Report**

Chairman Lavis stated that he had received ADEQ's letter regarding data coordination and that he would forward copies of both agencies' letters to the Board.

Chairman Lavis announced a break at 10:00 a.m. The meeting resumed at 10:05 a.m.

**V. CAB Report**

Mr. Don Davis, Co-Chair of the Park Euclid CAB provided a presentation to the Board on the history and status of the Park Euclid site. Many of the CAB members live close to the site and the neighbors are concerned about the COE's plan to dig up a basin to help prevent flooding. The CAB has worked with the COE to ensure that the COE's plans will not adversely affect the work going on at the site. The CAB has been active and effective in its mission. The CAB has been active in seeking funding for the site, and has written the Legislature to request funding. The CAB has been in informing residents about the progress being made at the site. The CAB has written articles for the Rincon Heights Newsletter. Mr. Davis thanked ADEQ for being helpful to and supportive of the CAB.

Mr. Viereggs asked Mr. Davis about how long the cleanup of the site will take. Mr. Davis responded that the project is not yet to that point and that the RI is being finished up now. The emphasis has been on characterization and the issue of the potential influence of the Arroyo Chico project on the remediation. Mr. Shipley thanked Mr. Davis for sending the letter to the Legislature to request funding, and suggested that the letter also be sent to the Governor's Office. Mr. Davis agreed. Ms. Masbruch stated that the Governor has an office in Tucson and that the CAB should provide a schedule of upcoming CAB meetings to that office also and offer a site visit. Chairman Lavis thanked Mr. Davis for attending the meeting and providing a presentation on behalf of the Park Euclid CAB.

## **VI. Committee Reports**

- A. Ad Hoc Qualified Business Settlement Committee** - Chairman Lavis informed the Board that there would be a meeting in June. Marty Jones will prepare language on two options by August 1. The recommendation will be forwarded to the Board for review in September or October. Chairman Lavis thanked Mr. Vieregg, Mr. Jones and Mr. Kimball for their work on this issue.
- B. Ad Hoc PRP Review Committee** - Ms. Gaylord discussed eight recommendations that came out of the PRP Review Report. ADEQ should report to the Board every six months on the progress on PRP searches. After the Estes allocation is complete, the Board and ADEQ should conduct an audit of the PRP search program. Funding of PRP searches and RIs that are holding up PRP searches should be reviewed. Modification of the QBS process should also be considered. Lengthy discussion regarding conducting an audit of the program versus a detailed review ensued. Ms. Gaylord and Mr. Suriano indicated that they recommended having a critical line by line review. Ms. Barr suggested hiring an independent consultant to conduct the audit. Mr. Shipley asked if one site is enough to judge how the process is working. Ms. Gaylord responded yes because this site represents every aspect that needs to be considered. Mr. Vieregg clarified that he does not commit to changes in the statute regarding QBS and insurance regardless of these recommendations. Recommendation #3 was changed to read "After resolution of the Estes Landfill allocation process, the Board should conduct a detailed critical review of ADEQ's performance and its success at identifying PRPs at the site, in consultation with ADEQ and the AGO and with participation by any PRP experts that are willing to participate". Ms. Gaylord made a motion that the Board adopt the eight recommendations with the change to #3. Mr. Shipley seconded the motion. The motion was approved.

Mr. Kimball asked if ADEQ has asked all of the WQARF working parties about how much money they have spent on sites. Mr. McNeely stated that ADEQ has contacted the parties and that the number in the report is low. ADEQ will provide a report on working party cleanup obligations to reflect the new information.

- C. Legislative Committee** - Mr. McNeely notified the Board that the EPA has asked for a copy of the Arizona Superfund Programs List in order to add pending PI sites to their CERCLIS database and investigate those sites. Mr. McNeely added that currently, there is not enough work to fund the ADEQ's EPA-funded site assessment positions, but assigning the EPA-funded positions to work on the pending PI sites for EPA would provide work. Ms. Barr suggested the Board consider amending the Board's recommendation to the ADEQ Director to include a letter to EPA asking them to leave pending PI sites with ADEQ. Chairman Lavis reminded ADEQ to notify the Board of any EPA request.

Ms. Barr provided handouts of H.B. 2264. Chairman Lavis thanked Ms. Barr for her work on this bill.

- D. Funding Priorities Committee** - Ms. Gaylord informed the Board that the committee is making progress and there will be another meeting next month.
- E. Budget Committee** - Mr. Shipley informed the Board that the ADWR budget proposal will be discussed at the May committee meeting. The committee considered changing the reporting format but decided to stay with the “deal” format in order to be able to keep tracking recoverable vs. non-recoverable costs.

Chairman Lavis noted that the Board has been given authority to take a position on the footnote of the JLBC budget recommendation. The Board can make a recommendation on how to implement the JLBC’s plan to reduce administrative costs. Mr. McNeely stated that ADEQ wants the footnote to be deleted rather than modified and is also working on this issue. ADEQ is also working with the Governor’s Office on the budget. Mr. Viereggs suggested that perhaps Chairman Lavis could meet with the Governor’s Office to request authority to be more active in the budget negotiations. Ms. Barr indicated that members of the business community had approached Ms. Faeth regarding a meeting with the Governor and she indicated that this would not be a good plan. Mr. Kimball stated that the Board needs to take action in the next few weeks to make any impact on the budget. Chairman Lavis stated that he would initiate a meeting with Patrick Cunningham to discuss eliminating the cap and addressing Ms. Johnson’s concerns.

**VII. Other Business** - There was no other business brought before the Board.

**VIII. Public Comment** - No public comments were received.

**IX. Adjournment** - Ms. O’Regan made a motion to adjourn; Mr. Kimball seconded the motion. The meeting was adjourned at 11:45 a.m.